

BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, D.C. 20268-0001

PERIODIC REPORTING  
(UPS PROPOSAL ONE)

Docket No. RM2020-9

OPPOSITION OF THE UNITED STATES POSTAL SERVICE TO UPS  
MOTION FOR RECONSIDERATION OF ORDER NO. 6048  
(January 4, 2022)

In Order No. 6048, the Commission rejected the proposal submitted by UPS in this docket regarding seasonal costing issues. Order No. 6048 (November 29, 2021). On December 28, 2021, UPS filed a motion seeking reconsideration of Order No. 6048. In its motion, UPS seeks as its primary relief reconsideration of the order, based on the allegation that three errors committed by the Commission warrant reconsideration of the rejection of its proposal. In the alternative, however UPS seeks postponement of formal entry of the Order until the Commission resolves what UPS asserts are similar issues in Docket No. RM2022-2, the current appropriate share docket. The Postal Service opposes the UPS motion for reconsideration.

The Postal Service rejects the contention by UPS that the Commission committed errors with regard to the three matters raised by UPS. None of those three matters provide grounds to question the Commission's correct conclusion in Order No. 6048 that UPS Proposal One would not constitute improvement over the status quo. Contrary to what UPS suggests, Order No. 6048 does not warrant reconsideration.

Likewise, the Postal Service opposes the alternative request by UPS to postpone the formal entry of Order No. 6048 in this docket in the hope of future reconsideration

after resolution of Docket No. RM2022-2, the appropriate share docket. The alleged overlap between the two dockets is premised on a fundamental misconception of the nature of the scope of the two proceedings. The current proceeding is focused on costing -- the attribution of costs to products and groups of products based on reliable causal principles, and whether UPS's proposal regarding seasonal costs is consistent with those principles. The appropriate share exercise is not focused on cost attribution pursuant to the statutory reliable causation standard, but on the judgmental determination of whether to set a minimum amount of contribution that competitive products must cover for institutional costs that remain after cost attribution has been completed. The two exercises are conceptually distinct, as the Commission itself found in Order No. 6048 at page 21, despite the attempt by UPS to blur the line between the two.

Therefore, the Postal Service respectfully opposes the UPS motion for reconsideration.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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